

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU-75984	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
2. NAME OF OPERATOR FALCON ENERGY LLC		7. UNIT AGREEMENT NAME N/A	
3. ADDRESS AND TELEPHONE NO. 510 WEST 3560 SOUTH, SALT LAKE CITY, UTAH 84115		8. FARM OR LEASE NAME, WELL NO. ROBERTS # 1	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 723' FEL and 1070' FSL At proposed prod. zone 645, 785 E 4,323, 233 N		9. API WELL NO. 43-019-31376	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* SIX MILES NORTHEAST OF CISCO, UTAH		10. FIELD AND POOL, OR WILDCAT GREATER CISCO (SPRINGS)	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 723'		11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA SEC. 24, T. 20 S., R. 23 E. SLBM.	
16. NO. OF ACRES IN LEASE 80 ACRES		12. COUNTY OR PARISH GRAND	
17. NO. OF ACRES ASSIGNED TO THIS WELL 10 ACRES		13. STATE UTAH	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. ~300'		19. PROPOSED DEPTH 1320'	
20. ROTARY OR CABLE TOOLS ROTARY		21. APPROX. DATE WORK WILL START* AUGUST, 1999	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4593 GR			
23. PROPOSED CASING AND CEMENTING PROGRAM			
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
11"	7" K-55	17 lb	120'
6 1/4"	4.5" K-55	10.5 lb	1320'
			QUANTITY OF CEMENT
			35 SXS
			50 SXS

WELL WILL BE DRILLED TO TEST THE MORRISON SALT WASH FORMATION. ALL SHOWS ENCOUNTERED WILL BE TESTED.

BLOWOUT EQUIPMENT WILL BE AN 8" DOUBLE GATE SHAFFER HYDRAULIC TYPE LWS

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24. SIGNED *Douglas A. Bowchen* TITLE MANAGING MEMBER DATE JULY 6, 1999

(This space for Federal or State office use)

PERMIT NO. 43-019-31376 APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

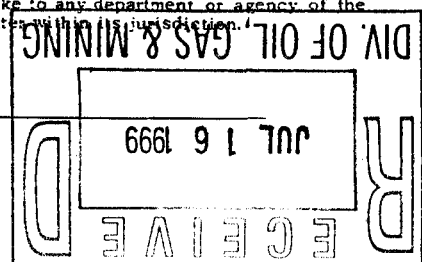
CONDITIONS OF APPROVAL, IF ANY:

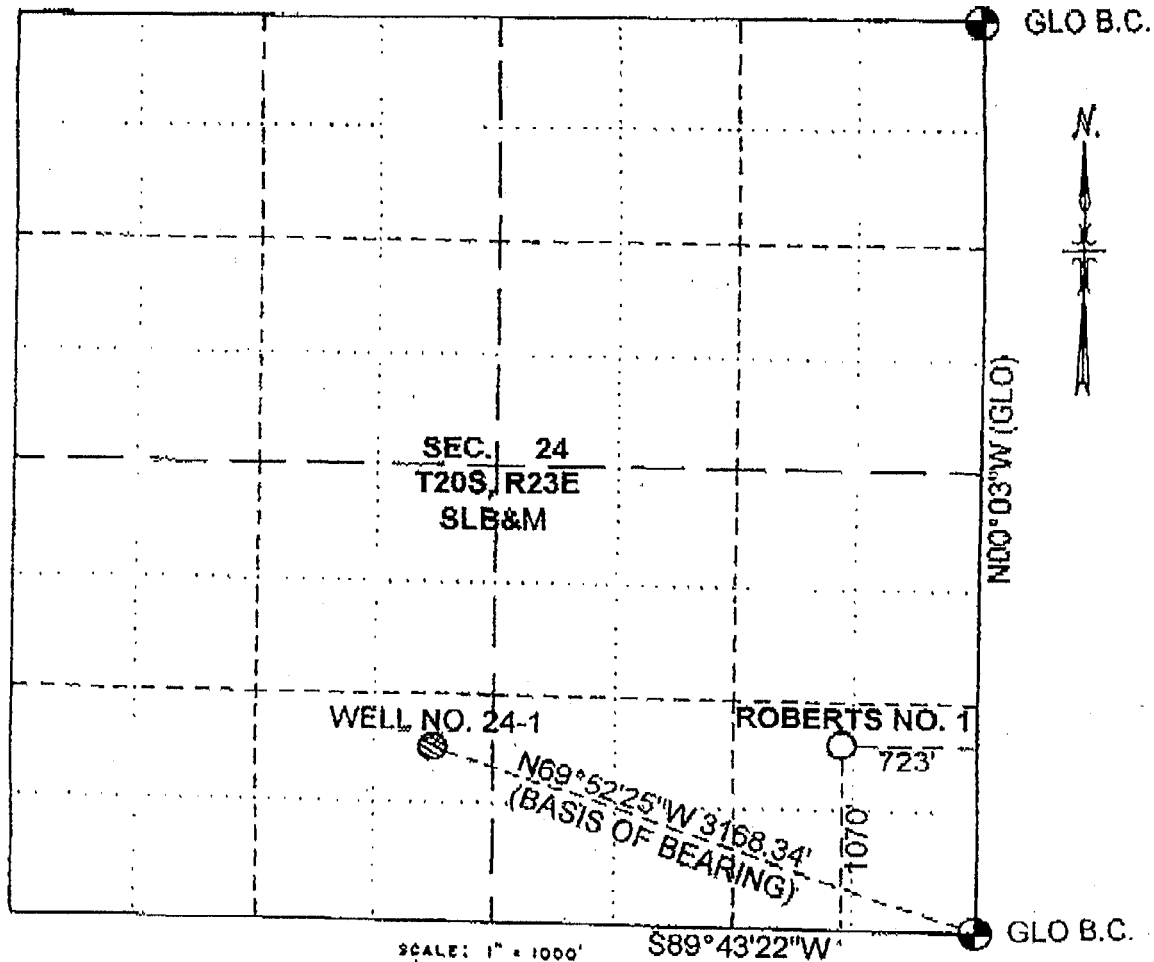
APPROVED BY *Bradley G. Hill* TITLE RECLAMATION SPECIALIST III DATE 10/4/99

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Federal Approval of this
Action is Necessary





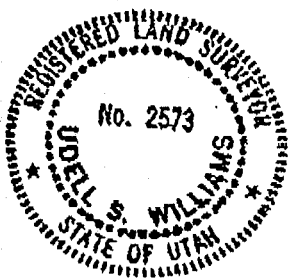
ROBERTS NO. 1

Located 1070 feet FSL and 723 feet FEL of Section 24, T20S, R23E, SLB&M.

RPN 150' = 4595
RPS 150' = 4594
RPE 150' = 4586
RPW 150' = 4597

ELEV. 4593

Grand County, Utah



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

Utah RLS No. 2573



UDELL S. WILLIAMS

751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF
PROPOSED LOCATION

ROBERTS NO. 1

SE1/4SE1/4 SEC. 24

T20S, R23E, SLB&M

SURVEYED BY: USW DATE: 7/9/99

DRAWN BY: USW DATE: 7/9/99

BUREAU OF LAND MANAGEMENT
82 East Dogwood, Suite M
Moab, Utah 84532

RE: FALCON ROBERTS NO.1
NTL-6 Supplementary Information
Form APD, 9-331-C

Application for Falcon Energy, LLC, a Utah corporation, to drill in the ~~SE~~^{SE4} of Section 24, T 20 S, R 23 E, Grand County, Utah is set forth on Form 9-331-C. This letter is to set forth the additional information required on the NTL-6 regulation.

1. Geologic name of surface formation:

2. & 3. Cretaceous	Mancos Shale	surface
	Base, Dakota Silt	785'
	Dakota	822'
	Cedar Mountain	933'
Jurassic	Morrison (Brushy Basin)	1018'
	Salt Wash	1300'
	Total Depth	1320'

4. Casing Program: See Form 9-331-C.

5. Pressure Control Equipment: BOP and manifold to be tested 1000 PSI Prior to drilling out shoe, then pipe rams to be operational tested daily blind rams to be operational tested on trips. BOP and manifold to be visually inspected daily. All tests to be recorded in daily tour sheet. See BOP schematic.

6. Drilling and circulating medium: Operator plans to drill with air and air mist as far as possible. Water base filling fluid will be used in the event formation water is encountered and to control or kill oil or gas flows when running long string - 4½" 10.5 LB casing - run invert polymer type bio-degradable mud 8.2 LB per gallon. Weight and mud to 10 LB per gallon if required will be provided. The addition of potassium (KCL) chloride D.G. chemical added as required.

7. Auxiliary equipment: (1) Kelly Cock - Demlo (2) floats at the bits and string (3) monitoring equipment on mud system - none (4) sub on floor with a full opening valve. The fill, kill and choke lines will be attached to well head below BOP. Also auxiliary equipment to be used.

a. 6,000# shut off valve on stand pipe. b. One float at bit and two string floats. c. Sub 3½" IF to 2" valve for controlling blowouts for use when making round trips in event of well blowouts.

8. Testing, logging, coring: Southwest Survey, Rocky Mountain Wireline or appropriate wire-line company . No DST's programmed. Dual induction laterlog (DIL) compensated neutron and formation density (CNFD), caliber log (CL), sonic BHC. If casing is run, a cement bond log (CBL) and gamma ray (GRL). During drilling, we will take samples every 10' starting at to 1320'T.D. Microscope analysis will be done by a geologist.

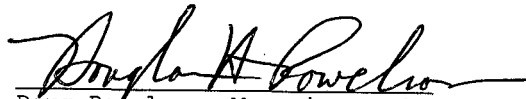
9. Maximum bottom hole pressure expected is 1000 PSI. Flexibility provisions are the BOP and high pressure fittings and couplings. No hydrogen sulfide problems are expected.

10. Starting date is August 11th, 1999 and should take from three to five days.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge true and correct; and, that the work associated with the operations proposed herein will be performed by Falcon Energy LLC, and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

DATE

7/6/99


Doug Powelson, Managing Member

1. Existing Roads

- a. Proposed well site is staked.
- b. Route and distance from nearest town. Well site is located approximately eight miles northeast of Cisco, Utah. Exit at the east Cisco Bookcliff exit on 1-70. Go north about 150' and turn left at the first intersection of the county road. Proceed northwest 1.5 miles on the Cisco Springs road. Turn left (southwest) onto the Clayton Energy #1/Nicole #1 access road. Proceed approximately 2.3 miles on the existing road to the Roberts #1 well access road. The new access road is approximately 85' southeast off of existing access road to the left and will proceed approximately (85') northeast and is marked in red on the enclosed topographic map. The existing road is marked in blue. The new road is on a flat surface and will require no cuts, but will be lightly bladed.
- c. Access road is color coded in red. The existing road is color coded in blue.
- d. Does not apply.
- e. If development well, list all the existing roads within a one mile radius of well site. This radius includes the County road, referred to as the Cisco Springs road. Also included in the one mile radius is the access for the Ambra FX 25-3 as well as the existing access roads noted in 1 b. above.
- f. Plans for improvement and/or maintenance of existing roads. In the event of production, operator will work to maintain a graded and an improved road year-round. This will require cooperation with the other operators in the area to maintain this road.

2. Planned Access Road

1. Width: 15' bladed out on flat land.
2. Maximum grades: 1/2 to 1 degree
3. Turn-out: access road is straight, no turn-outs are needed.
4. Drainage design: small borrow pits on each side for easy drainage.

5. Location of culverts and brief description of any major cuts and fills.
No culverts are wanted or needed in this area. Land is flat desert with small weeds growing.
There are no major cuts or fills in this area.

6. Surfacing material: none needed. Land will be disturbed little. No foreign material is needed.

7. Necessary gates, cattle guards, or fence cuts: none needed in this area.

8. New or constructed roads: Operator will make use of existing roads in the area. The new access road will be constructed approximately 75' in length and the proposed route flagged in red. Width will be 15', scraped only on the surface. Surface disturbance will be kept to a minimum. Surface is flat, requiring no cuts.

3. Location of Existing Wells

a. See USGS topo map.

b. Producing wells in a one mile radius:

1. Sec. 24 Clayton #1; oil
2. Sec. 24 Nicole #1; gas
3. Sec. 24 Jacob's # 24-2; gas
4. Sec. 24 Saturn Fed 24-1; gas
5. Sec. 24 Clayton Kathy #1; gas
6. Sec. 24 Hope #2; oil
7. Sec. 24 Hope #4; gas
8. Sec. 24 Saturn CS 24-3; gas
9. Sec. 24 Saturn Len 24-4; gas
10. Sec. 24 Saturn Robin 24-1; gas
11. Sec. 24 Saturn Robin 24-4; gas
12. Sec. 25 Ambra FX 25-3; oil
13. Sec. 25 Jacob's Fed 1-25; oil
14. Sec. 25 Four Leaf # 1; oil
15. Sec. 30 Martha #1; gas (T.20 S., R.24 E)
16. Sec. 30 Martha #4; gas " " " "

c. Producing wells in a two mile radius:

1. Sec. 23 TXO Mesa 23-1; oil
2. Sec. 23 IF 23-4; gas
3. Sec. 23 IF 23-10; gas
4. Sec. 23 TXO 23-1c; oil
5. Sec. 23 SS 23-15; gas
6. Sec. 13 Saturn T Fed #8; gas
7. Sec. 13 Saturn Jacob's #1; gas
8. Sec. 13 Saturn Pioneer #2A; gas
9. Sec. 13 Saturn Len 13-3; oil
10. Sec. 13 Harrison Pioneer 2A; gas
11. Sec. 31 Saturn Fed UTI 31-72; gas (T.20 S., R.24 E.)

d. No water well, disposal wells, or injection wells in this one mile radius.

4. Location of Existing and/or Proposed Facilities

- a. 1. Tank batteries: Operator maintains various production tank batteries in T 20 S, R 23 E. If production is established, new tank batteries will be installed on the proposed location. New tank batteries will be 125' from wellhead.
2. Production facilities: Operator maintains various pumpjacks, dehydrators, separators in T 20 S, R 23 E. If production is established, new production facilities will be installed on the proposed location.
3. Oil gathering lines: none - only tank at location if oil production is established.
4. Gas gathering lines: Northwest Pipeline's lateral A-5 in the SW corner of Section 13 and main 6" gathering line in the north half of Sections 13 & 14, operator's 4" collection line in the SE1/4 of section of 24, adjacent to this proposed location.
5. Injection lines: none
6. Disposal lines: none
- b. If new facilities are contemplated in the event of production: See the enclosed exact sketch of the area showing planned production facilities. All open and exposed pits will be fenced to protect livestock and wildlife and an earthen fire bunker will be built around any tanks. Gas lines will be laid on the surface to the operator's collection line. A time schedule for this will be within a 60-day period upon completion of the well.
- c. Plan for rehabilitation of disturbed areas: No longer needed for operation after construction. Pits will be fenced until fluid evaporates and then filled in. That will be re-seeded anywhere from October 15 to November 15, as required by the BLM. The seeding mixture prescribed by the BLM will be used. The surface area is flat, however, this area will be graded to the original contours. Also note, construction and rehabilitation will be limited to the original well pad. All stock pile surface soil will be graded back over location after contouring for subsequent reseeding.

5. Location and Type of Water Supply

- a. Water will be purchased from Ute Water Company, # 56 25 Road, Fruita, Colorado.
- b. State method of transporting water: water tank truck.
- c. No water well is planned or needed.

6. Source of Construction Materials

The location will be on Federal land so if any sand or gravel is needed, it will be brought into the area from a private source in Thompson, Utah, 21 miles west. Until production is established, the road will be surface scraped dirt road from the existing road to the proposed well location. However, no construction materials are planned or needed. This is a flat desert land on Mancos shale formations. Graded roads that are watered and packed down are the best roads in this area.

7. Method for Handling Waste Disposal

Cutting and drilling fluids will be discharged via air into reserve pit. Portable chemical toilet will be on location for sewage. Garbage and waste materials will go in a cage then hauled out when work is completed. Location will be cleaned and all materials not burned will be hauled away. Produced fluids (oil and water) will go into tanks and pits, respectively. The blowey line will be 125' long, centered and angled down into a trench pit. It will be anchored. The blowey line will be misted while drilling with air. The area will be free of trash and debris when rig is moved out.

8. Auxiliary Facilities

None other than a trailer and dog house. No camp or air strip required.

9. Well Site Layout

1. Cross section of drill pad with cuts and fills 150' x 150'. Well location is relatively flat and require minimum cuts and fills. Any cuts and fills needed will be determined at on-site inspection. Surface soil will be stock piled on the north side of location 12" high.

2. Mud tank, reserve, burn and trash pits, see drawing.

3. See drawing.

4. Pits are to be unlined.

10. Restoration Plans

1. Backfill of pits and all surface holes will be completed and will be leveled to the original contour of the land before drilling. Waste disposal will be accomplished as follows: All portable waste will be buried in the waste pit. All other trash will be hauled out of the area.

2. Re-vegetation and rehabilitation; the grounds including the access road will be conditioned and re-vegetated and seeded as per BLM requirements, that being re-grading of the surface soil and reseeding to take place from October 15 to November 15.

3. After the rig is moved.

4. If there is oil in the pit, we will either remove it or install overhead flagging.

5. Rehabilitation of the well site area will be completed within 60 days after the spud date. With the exception of the reseeding following BLM instruction (October 15 to November 15). We will restore location back to original condition before rig is moved in.

11. Other Information

The location is part of the Green River desert area. No trees grow on the mancos shale valley only sagebrush and shad. Cattle graze the area in fall and spring seasons. There is no water and very little vegetation. Cisco Springs is one mile to the northeast with practically no dwellings and no evidence of historical, cultural or archeological value. There will be no other surface use.

12. Operator

Falcon Energy LLC
3560 South 510 West
Salt Lake City, Utah 84115

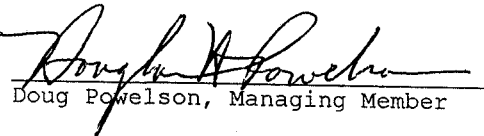
Telephone: (801) 269-0701

Attention: Doug Powelson

13. Certification

I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Falcon Energy LLC, and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

DATE: 7/6/99


Doug Powelson, Managing Member

EXISTING ROADS

8D5

8D2

14

8D1

13

18

F12

J1

TF23-4

H2

F24-2

23

24

19



FY25-3

ROBERTS #1

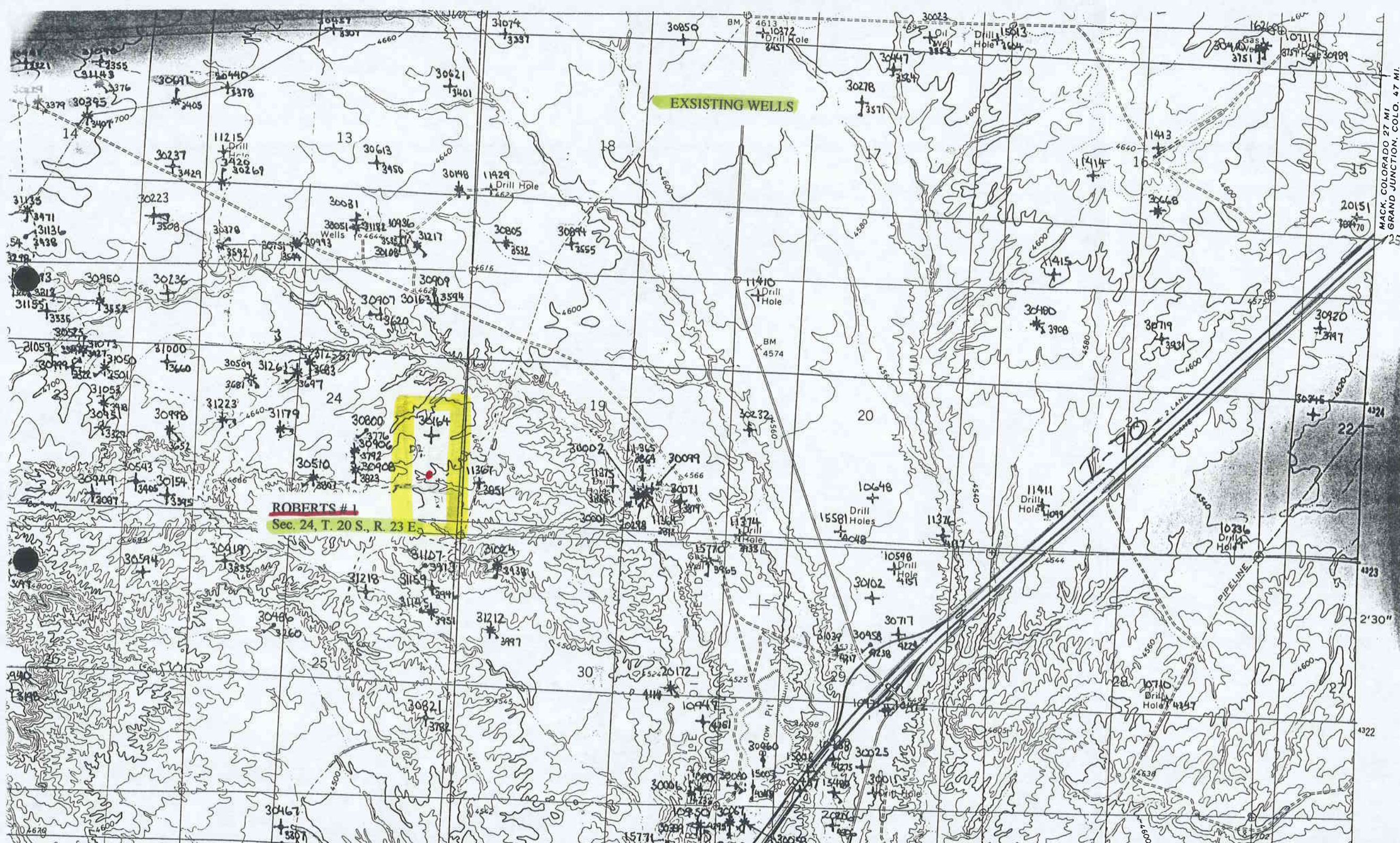
Sec. 24, T. 20 S., R. 23 E.

26

25

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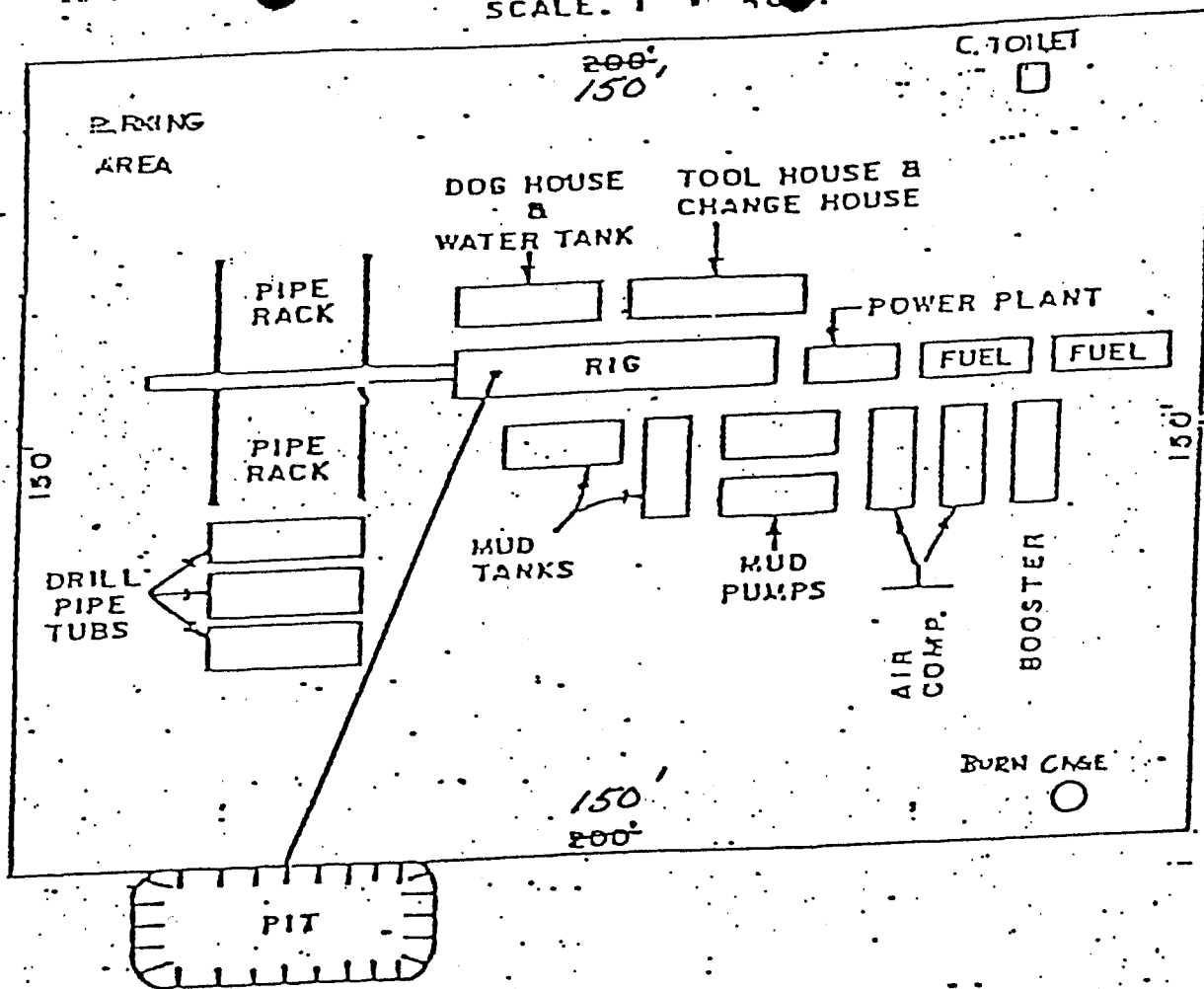


EXISTING WELLS

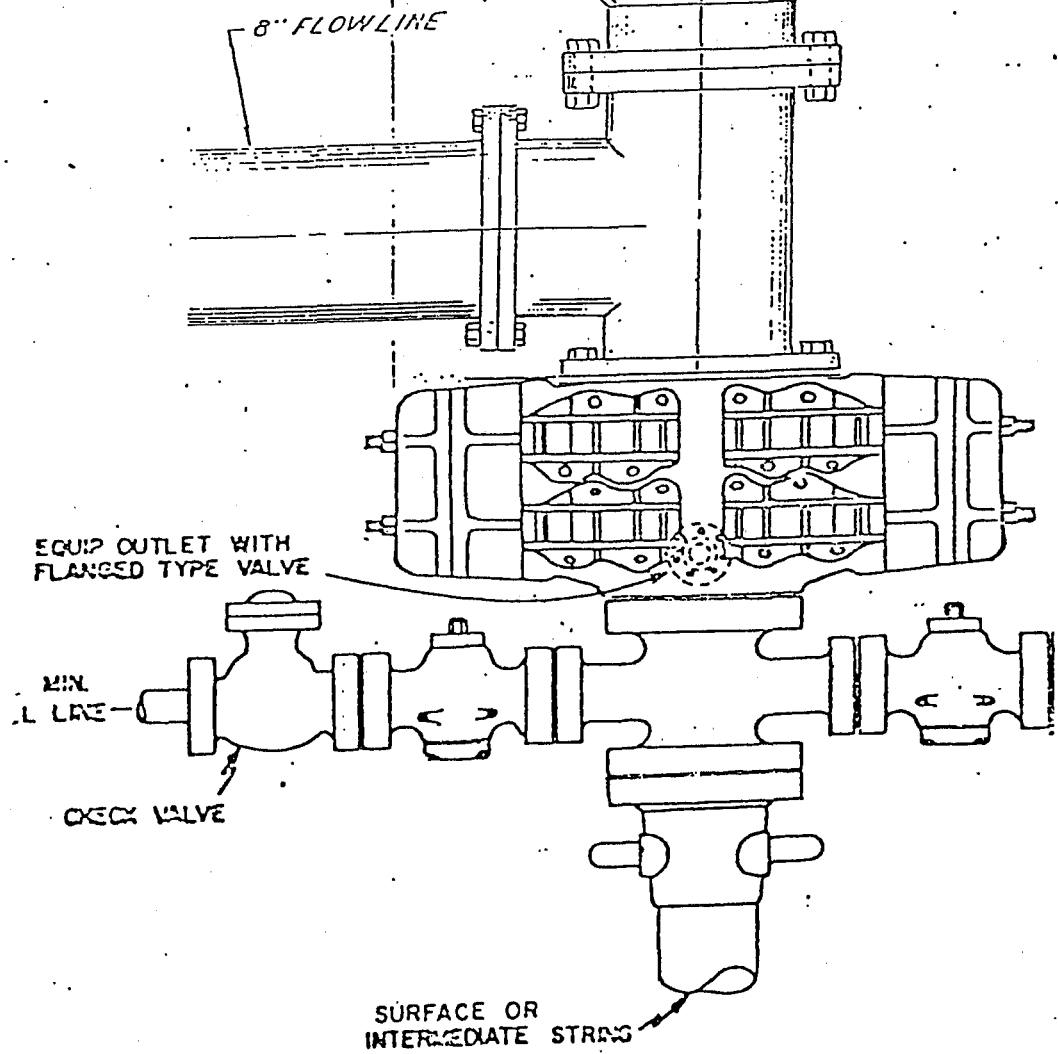
ROBERTS #1
Sec. 24, T. 20 S., R. 23 E.

MACK, COLORADO 27 MI.
GRAND JUNCTION, COLO. 47 MI.

SCALE: 1" = 40'

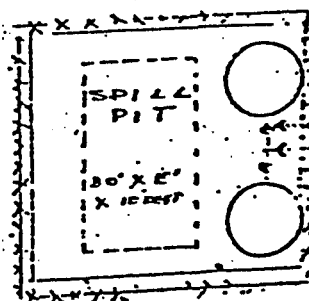


ROT. FINE DR
HEAD.



TANK BATTERY
OIL SALLS

FENCED
AND
FIRE
BERMED



PIT IS
150' X
10' DEEP



GAS
SALL

DIE ANT / RE GAS

SALL 10' 40'

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/16/1999

API NO. ASSIGNED: 43-019-31376

WELL NAME: ROBERTS 1
OPERATOR: FALCON ENERGY LLC (N6710)
CONTACT: DOUG POWELSON

AMENDED

PHONE NUMBER: 801-269-0701

PROPOSED LOCATION:

SESE 24 200S 230E
SURFACE: 1169 FSL 0663 FEL
BOTTOM: 1169 FSL 0663 FEL
GRAND
GREATER CISCO (205)

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-75984
SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: SLTW

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed ☒ Ind ☐ Sta ☐ Fee ☐
(No. UT1049)
☒ Potash (Y/N)
☒ Oil Shale (Y/N) *190 - 5 (B)
☒ Water Permit
(No. HOPE #2 / Produced Wtr.)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

☐ R649-2-3. Unit _____
☐ R649-3-2. General
Siting: _____
☐ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 102-116B
Eff Date: 11-15-79
Siting: 500' h. 1 case line, 200' h. 04/04, 400' h. 04,
1320' h. 60
☐ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS: ① Federal Approval

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/16/1999

API NO. ASSIGNED: 43-019-31376

WELL NAME: ROBERTS 1
OPERATOR: FALCON ENERGY LLC (N6710)
CONTACT: Doug Powell/son 269-0701

AMENDED

PROPOSED LOCATION:

SESE 24 - T20S - R23E
SURFACE: ~~1070 FSL 0723 FEL~~ 1163 FSL 598 FEL
BOTTOM: ~~1070 FSL 0723 FEL~~ 1163 FSL 598 FEL
GRAND COUNTY
GREATER CISCO FIELD (205)

LEASE TYPE: FED
LEASE NUMBER: UTU-75984
SURFACE OWNER: Federal

INSPECT LOCATN BY: / /

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

PROPOSED FORMATION: SLTW

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed ☒ Ind[] Sta[] Fee[]
(No. 1049 (per Blm 8-26-99))
☒ Potash (Y/N)
☒ Oil Shale (Y/N) *190-5(B)
☒ Water Permit
(No. Water Co. Hope #2/Prod. Wk.)
☒ RDCC Review (Y/N)
(Date: _____)
N/A Fee Surf Agreement (Y/N)

LOCATION AND SITING:

☐ R649-2-3. Unit _____
☐ R649-3-2. General
☐ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 102-16B
Date: 11-15-79
☐ R649-3-11. Directional Drill

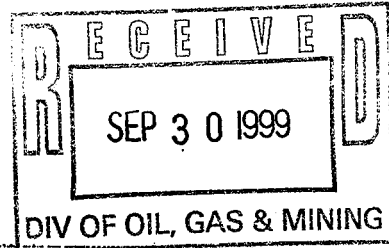
COMMENTS:

STIPULATIONS:

① FEDERAL APPROVAL

FALCON ENERGY, L.L.C.

510 West 3560 South
Salt Lake City, Utah 84115
(801) 269-0701 FAX (801) 269-0761



DATE: 9/30/99

TO: Lisha Cordova

FAX NO. 801-359-3940

COMPANY/DEPARTMENT: _____

FROM: Doug Powelson

NUMBER OF PAGES: 1 (including this cover sheet)

MESSAGE: Per our discussion the water
for the drilling of the Roberts #1,
Powelson #1 and Stout #2 wells will
come from one of our own wells
within 1/2 mile of these locations.
The well is the Hope #2 (T20S, R23E, Sec.

Thanks For Your Help,

Doug Powelson



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

October 4, 1999

Falcon Energy, LLC
510 West 3560 South
Salt Lake City, Utah 84115

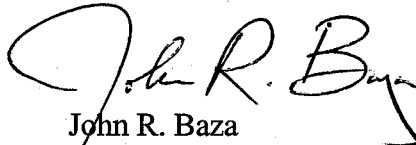
Re: Roberts #1 Well, 1070' FSL, 723' FEL, SE SE, Sec. 24, T. 20 S., R. 23 E., Grand County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-019-31376.

Sincerely,



John R. Baza
Associate Director

lwp

Enclosures

cc: Grand County Assessor
Bureau of Land Management, Moab District Office

Operator: Falcon Energy, LLC

Well Name & Number: Roberts #1

API Number: 43-019-31376

Lease: Federal **Surface Owner:** Federal

Location: SE SE **Sec.** 24 **T.** 20 S. **R.** 23 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

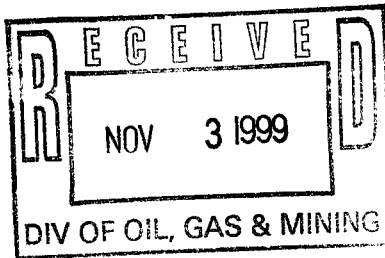
Notify the Division within 24 hours of spudding the well. Contact Carol Daniels at (801)538-5284.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval which must be obtained prior to drilling.



KERRY M. MILLER, ESQUIRE
48 WEST BROADWAY, SUITE 307 NORTH
SALT LAKE CITY, UTAH 84101-2008
(801) 521-9763; (801) 521-2401 fax
kmmiller@excelonline.com

November 1, 1999

Lisa Cordova
Utah Division of Oil, Gas and Mining
1594 West, North Temple, Suite # 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Falcon Energy, Cisco Well Locations Moves
Stout #2, NE1/4SE1/4; Roberts #1-1 SE1/4SE1/4
T.20 S., R.23 E., Sec. 24, UTU-75984, 80.00 acres.
Grand County, Utah

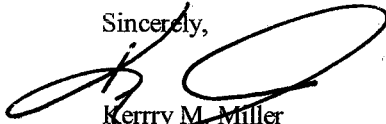
Dear Lisa,

We just completed a "field visit" (post on-site) on October 26th, with Rich McLure of the Moab/ BLM to rectify some site topographic concerns with respect to the two above referenced wells. We contacted your office by cell phone and tried to reach you personally, but were directed to one of your contemporaries (I believe Brad, ~~Bill or Bart~~). We pointed out that while consulting with the BLM's Hydrologist (also in attendance) that it would be the preference of the BLM and Falcon to move the locations slightly (within 20' and 100' respectfully) to protect the natural integrity of two small washes on the well pads of both locations. This would keep surface disturbance to a minimum. This location move was authorized by Rich McLure during this visit and it would not require a new surveyor's plat., just a new BLM form 3160 "face sheet". ~~During the noted cell phone call we conveyed that although this would encroach on the 200 feet from a legal subdivision (1/4 1/4)" spacing order, Falcon owns all the immediate adjoining acreage and like wise the correlative rights. It was conveyed by your contemporary that it should not require a hearing to gain an exception, merely this letter since Falcon does own the correlative rights on both sides of the 1/4 1/4 line(s).~~

Stout #2, Located 1520' FSL (instead of 1500') and 820' FEL of Sec. 24, T 20 S., R.23 E.
(20' variance).

Roberts #1, Located 1163" FSL and 598' FEL (instead of 698') of Sec. 24, T. 20 S., R.23 E.
(100' variance). *1169 663 (1/2000 ft)*

Sincerely,



Kerry M. Miller
for Falcon Energy

KMM/lac

c.c. D. Powelson, Falcon Energy
R. McLure, BLM/Moab

Form 3160-3
(July 1992)SUBMIT IN TRIPLICATE
(Other instructions on
reverse side)FORM APPROVED
OMS NO. 1004-0136
Expires: February 28, 1995UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

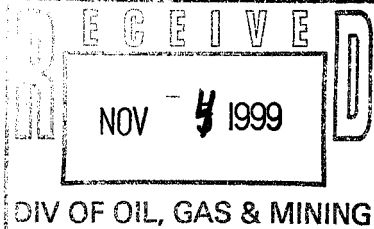
APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU-75984	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
2. NAME OF OPERATOR FALCON ENERGY LLC		7. UNIT AGREEMENT NAME N/A	
3. ADDRESS AND TELEPHONE NO. 510 WEST 3560 SOUTH, SALT LAKE CITY, UTAH 84115		8. FARM OR LEASE NAME WELL NO. ROBERTS # 1	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1163' FSL and 598' FEL At proposed prod. zone SAME		9. API WELL NO. 43-019-31376	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE SIX MILES NORTHEAST OF CISCO, UTAH		10. FIELD AND POOL OR WILDCAT GREATER CISCO (SPRINGS)	
10. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest 8 1/2 in. unit line, if any) 598'		11. SEC. T. E. N. OR BLK. AND SURVEY OR AREA SEC. 24, T. 20 S., R. 23 E. SLBM.	
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. ~300'		12. COUNTY OR PARISH 13. STATE GRAND UTAH	
16. NO. OF ACRES IN LEASE 80 ACRES		17. NO. OF ACRES ASSIGNED TO THIS WELL 10 ACRES	
19. PROPOSED DEPTH 1320'		20. ROTARY OR CABLE TOOLS ROTARY	
21. ELEVATIONS (Show whether DT, RT, GR, etc.) GR		22. APPROX. DATE WORK WILL START NOVEMBER, 1999	

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	7" K-55	17 lb	120'	35 SXS
6 1/4"	4.5" K-55	10.5 lb	1320'	50 SXS

WELL WILL BE DRILLED TO TEST THE MORRISON SALT WASH FORMATION. ALL
SHOWS ENCOUNTERED WILL BE TESTED.

BLOWOUT EQUIPMENT WILL BE AN 8" DOUBLE GATE SHAFFER HYDRAULIC TYPE LWS



AMENDED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

34. SIGNED Doug Ponder 1/5 TITLE MANAGING MEMBER DATE JULY 6, 1999

(This space for Federal or State office use)

PERMIT NO. 43-019-31376 APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to the land or surface rights which would entitle the applicant to conduct operations thereon.

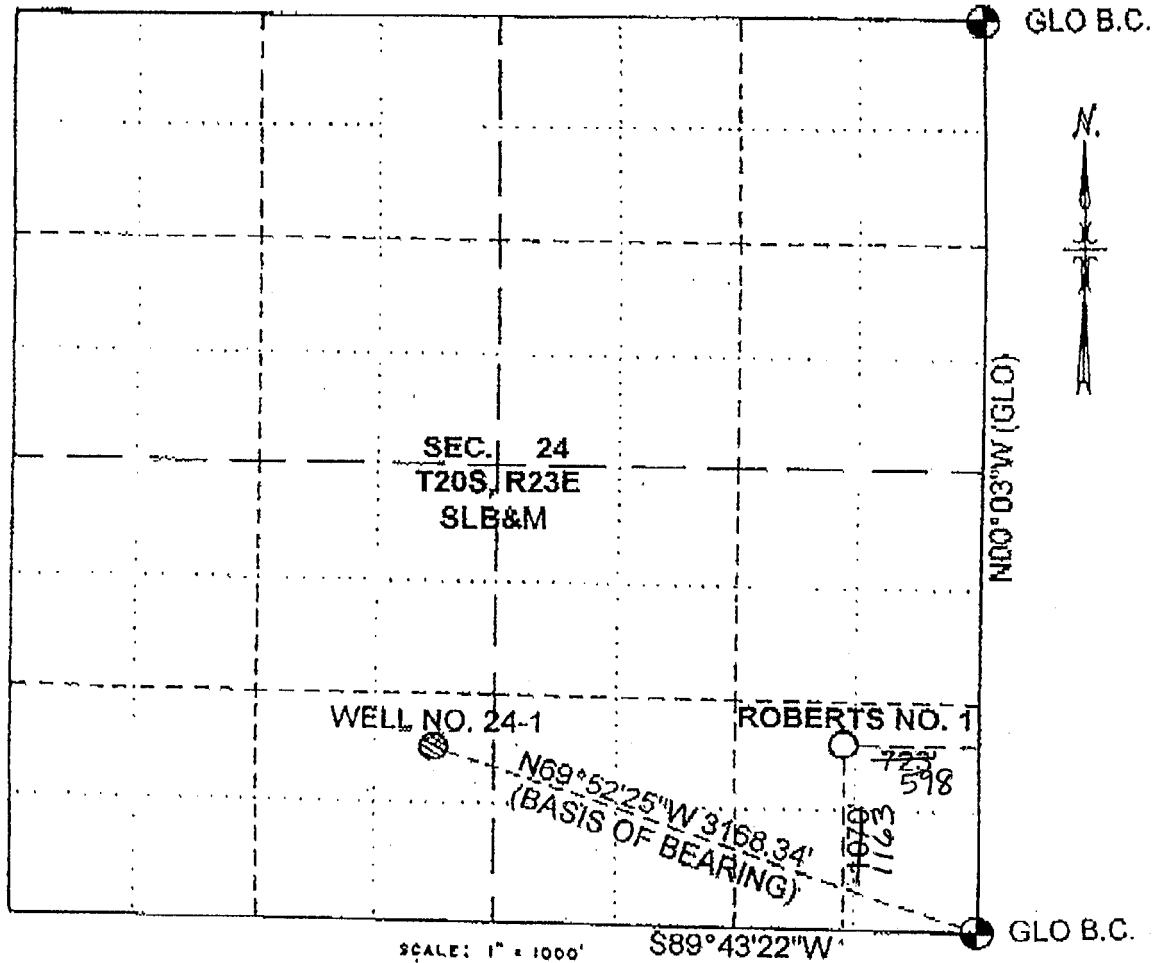
CONDITIONS OF APPROVAL, IF ANY:

BRADLEY G. HILL
RECLAMATION SPECIALIST IIIAPPROVED BY [Signature] TITLE _____ DATE 11/4/99

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Federal Approval of this
Action Is Necessary



SCALE: 1" = 1000'

S89°43'22"W

ROBERTS NO. 1

1163

598

Located 1070 feet FSL and 723 feet FEL of Section 24, T20S, R23E, SLB&M.

RPN 150' = 4506

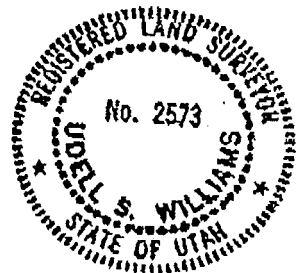
RPS 150' = 4594

RPE 150' = 4586

RPW 150' = 4597

ELEV. 4593

Grand County, Utah



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

Utah RLS No. 2573



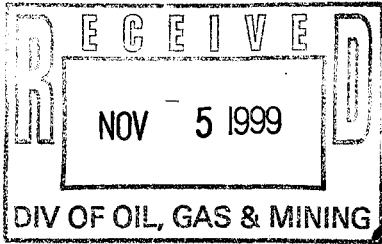
UDELL S. WILLIAMS
751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF
PROPOSED LOCATION
ROBERTS NO. 1
SE1/4SE1/4 SEC. 24
T20S, R23E, SLB&M

SURVEYED BY: USW DATE: 7/9/99

DRAWN BY: USW DATE: 7/9/99

TO: D. O. L. & M
ATTN LISA CORDOVA
FX 801-359-3940



Tr: KERR, M. MILLER
FX 521-2401
PHONE 521-9763

Re: FALCON ENERGY 3160'
(CORRECTED)

Thank - KERRY

3 Pages inc. THIS one



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

November 4, 1999

AMENDED PERMIT APPROVAL

Falcon Energy, LLC
510 West 3560 South
Salt Lake City, Utah 84115

Re: Roberts #1 Well, 1163' FSL, 598' FEL, SE SE, Sec. 24, T. 20 S., R. 23 E., Grand
County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-019-31376.

Sincerely,

A handwritten signature in black ink, reading 'John R. Baza'.

John R. Baza
Associate Director

lwp

Enclosures

cc: Grand County Assessor
Bureau of Land Management, Moab District Office

Operator: Falcon Energy, LLC

Well Name & Number: Roberts #1

API Number: 43-019-31376

Lease: Federal **Surface Owner:** Federal

Location: SE SE **Sec.** 24 **T.** 20 S. **R.** 23 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well. Contact Carol Daniels at (801)538-5284.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval which must be obtained prior to drilling.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐

b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR
FALCON ENERGY LLC

3. ADDRESS AND TELEPHONE NO.
510 WEST 3560 SOUTH, SALT LAKE CITY, UTAH 84115

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At nearest
1169' FSL and 663' FEL

At proposed prod. zone
SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
SIX MILES NORTHEAST OF CISCO, UTAH

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest Grp. unit line, if any: 663')

16. NO. OF ACRES IN LEASE
80 ACRES

17. NO. OF ACRES ASSIGNED TO THIS WELL
10 ACRES

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
~300'

19. PROPOSED DEPTH
1320'

20. ROTARY OR CABLE TOOLS
ROTARY

21. ELEVATIONS (Show whether DF, BT, GR, etc.)
4593' GR

22. APPROX. DATE WORK WILL START
JANUARY 2000

5. LEASE DESIGNATION AND SERIAL NO.
UTU-75984

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME WELL NO.
ROBERTS # 1(2)

9. AP WELL NO.
43-019-31376

10. FIELD AND POOL, OR WILDCAT
GREATER CISCO (SPRINGS)

11. SEC., T., R., S., OR B.E. AND SURVEY OR AREA
SEC. 24, T. 20 S., R. 23 E. SLBM.

12. COUNTY OR PARISH
GRAND

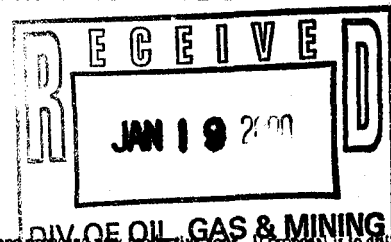
13. STATE
UTAH

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	7" K-55	17 lb	120'	35 SXS
6 1/4"	4.5" K-55	10.5 lb	1320'	50 SXS

WELL WILL BE DRILLED TO TEST THE MORRISON SALT WASH FORMATION. ALL SHOWS ENCOUNTERED WILL BE TESTED.

BLOWOUT EQUIPMENT WILL BE AN 8" DOUBLE GATE SHAFFER HYDRAULIC TYPE LWS



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill for deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24. SIGNED Bradley G. Hill TITLE MANAGING MEMBER DATE JANUARY 15, 2000

(This space for Federal or State office use)

PERMIT NO. 43-019-31376

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Bradley G. Hill

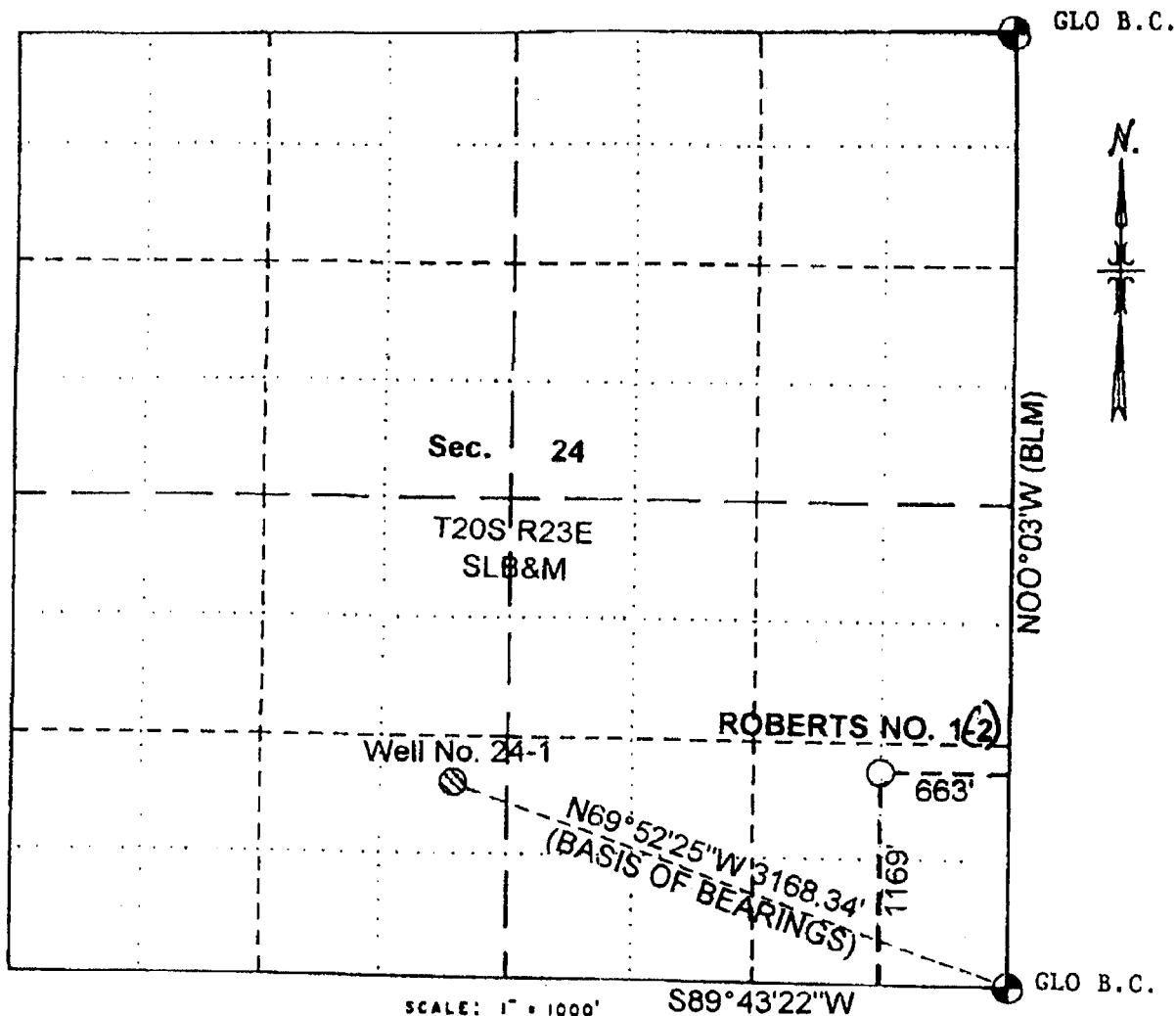
BRADLEY G. HILL
WTR RECLAMATION SPECIALIST III

DATE 1/20/00

*See Instructions On Reverse Side

This is U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Federal Approval of this
Action Is Necessary



ROBERTS NO. 1(2)

Located 1169 feet FSL and 663 feet FEL of Section 24, T20S, R23E, SLB&M.

RPN 150' = 4599

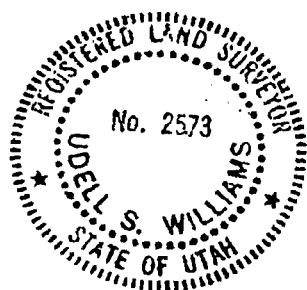
ELEV. 4593

RPS 150' = 4591

RPE 150' = 4589

Grand County, Utah

RPW 150' = 4592



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

Utah RLS No. 2573



UDELL S. WILLIAMS
751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF
PROPOSED LOCATION
ROBERTS NO. 1(2)
SE1/4SE1/4 SEC. 24
T20S, R23E, SLB&M

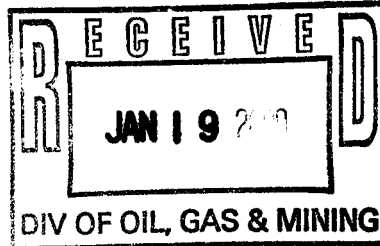
SURVEYED BY: USW DATE: 11/20/99
DRAWN BY: USW DATE: 11/20/99



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Moab Field Office
82 East Dogwood
Moab, Utah 84532



3162
UTU-75894
(UT-062)

NOV - 5 1999

Mr. Doug Powelson
Falcon Energy LLC
510 West 3560 South
Salt Lake City, Utah 84115

Re: Returning Application for Permit to Drill Unapproved
Roberts 1 Well
T. 20 S., R. 23 E., Section 24
UTU75894
Grand County, Utah

Dear Mr. Powelson:

Enclosed is the Application for Permit to Drill (APD) for the Roberts 1 Well. Due to the uncertainty of the surveyed location for the well, the APD is being returned unapproved.

On October 1, 1999, the location from the original APD was changed to 698 feet from the east line (FEL) and 1163 feet from the south line (FSL) of section 24. During the onsite inspection of October 26, 1999, the information on the well site marker showed footages of 757 FEL 1163 FSL, and it appeared that the marker had been moved from its original location. We tried to contact your surveyor to verify the well sites, but our telephone calls were not returned.

One additional concern would be that the locations at 1163 FSL appear to be unorthodox according to State of Utah Spacing Orders, Cause 102-16B.

It is not feasible to process the APD until a well site is properly located. After you have determined the location for the Roberts 1 Well, and the location has been surveyed, you can submit a revised APD. Please contact Rich McClure at (435) 259-2127, if any additional information is needed.

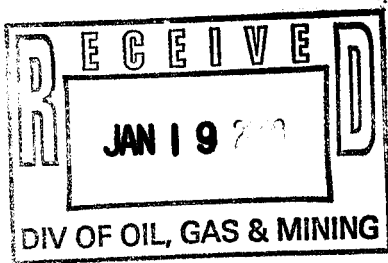
Sincerely,

Assistant Field Manager
Division of Resources

Enclosure
APD Roberts 1 Well

TO: U. D. O. G. & M
LISHA CORDOVA

359 - 3940



4 PAGES inc. THIS ONE

Re: KERRY M. MILLER
c/o FALCON ENERGY

556 - 0803

Theresa L. L. 17
Kerry



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

January 20, 2000

AMENDED PERMIT APPROVAL

Falcon Energy LLC

510 West 3560 South

Salt Lake City, UT. 84115

Re: Roberts 1 Well, 1169' FSL, 663' FEL, SE SE, Sec. 24, T. 20 S., R. 23 E., Grand County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-019-31376.

Sincerely,

John R. Baza
Associate Director

ecc

Enclosures

cc: Grand County Assessor
Bureau of Land Management, Moab District Office

Operator: Falcon Energy LLC
Well Name & Number: Roberts 1
API Number: 43-019-31376
Lease: Federal **Surface Owner:** Federal
Location: SE SE **Sec.** 24 **T.** 20 S. **R.** 23 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well. Contact Carol Daniels at (801)538-5284.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval which must be obtained prior to drilling.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*

(Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
BORE ☐

MULTIPLE
BORE ☐

2. NAME OF OPERATOR

FALCON ENERGY LLC

3. ADDRESS AND TELEPHONE NO.

4103 SOUTH 500 WEST

510 WEST 3500 SOUTH, SALT LAKE CITY, UTAH 84115

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

1169' FSL and 663' FEL

At proposed prod. zone

SAME

15. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

SIX MILES NORTHEAST OF CISCO, UTAH

16. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drilg. unit line, if any: 663'

17. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT. ~300'

18. NO. OF ACRES IN LEASE

80 ACRES

19. PROPOSED DEPTH

1320'

17. NO. OF ACRES ASSIGNED

TO THIS WELL

10-ACRES

20. ROTARY OR CABLE TOOLS

ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4593' GR

22. APPROX. DATE WORK WILL START*

JANUARY 2000

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	7" K-55	17 lb	120'	35 SXS
6 1/4"	4.5" K-55	10.5 lb	1320'	50 SXS

WELL WILL BE DRILLED TO TEST THE MORRISON SALT WASH FORMATION. ALL
SHOWS ENCOUNTERED WILL BE TESTED.

BLOWOUT EQUIPMENT WILL BE AN 8" DOUBLE GATE SHAFFER HYDRAULIC TYPE LWS

FLARING OR VENTING OF
IS SUBJECT TO NTL 4-A
and 1/1/80

CONDITIONS OF APPROVAL ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

H. D. ...

TITLE MANAGING MEMBER

DATE JANUARY 15, 2000

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

CONDITIONS OF APPROVAL, IF ANY:

/S/ WILLIAM C. STRINGER

Assistant Field Manager,
Division of Resources

MAR 23 2000

APPROVED BY

TITLE

DATE

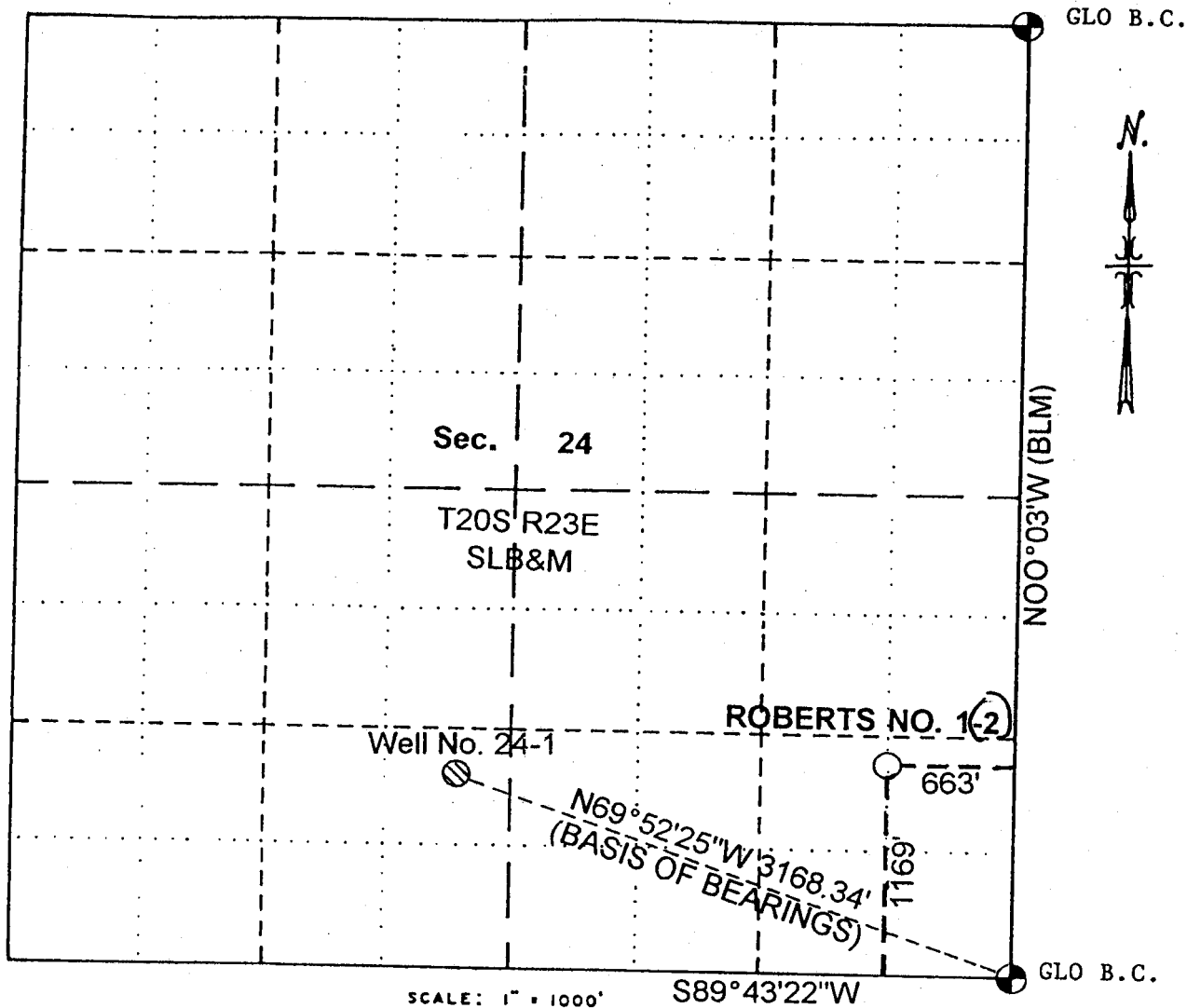
*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

MAR 27 2000

DIVISION OF
OIL, GAS AND MINING



ROBERTS NO. 1(2)

Located 1169 feet FSL and 663 feet FEL of Section 24, T20S, R23E, SLB&M.

RPN 150' = 4599

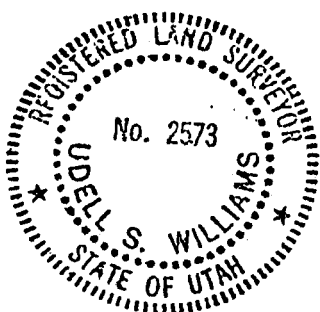
ELEV. 4593

RPS 150' = 4591

RPE 150' = 4589

Grand County, Utah

RPW 150' = 4592



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

Udell S. Williams
Utah RLS No. 2573



UDELL S. WILLIAMS
751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF
PROPOSED LOCATION
ROBERTS NO. 1(2)
SE1/4SE1/4 SEC. 24
T20S, R23E, SLB&M

SURVEYED BY: USW DATE: 11/20/99

DRAWN BY: USW DATE: 11/20/99

Falcon Energy, LLC
Roberts No. 1-2
Lease U-75894
SE/SW Section 24, T20S, R23E
Grand County, Utah

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Falcon Energy, LLC is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT 1049 (Principal - Falcon Energy, LLC) via surety consent as provided for in 43 CFR § 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR § 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR § 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to field representatives to insure compliance.

A. DRILLING PROGRAM

1. The proposed BOPE is in a 2M configuration, and is adequate for this depth in this area. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. The requirements for air drilling, found in Onshore Oil and Gas Order No. 2, part III, E (Special Drilling Operations), shall be followed. This section requires, at a minimum, the use of the following equipment not mentioned in the application:
 - Spark arresters
 - Blooie line discharge 100 feet from wellbore
 - Straight blooie line
 - Deduster equipment
 - Automatic igniter on the blooie line
3. The proposed surface casing (7", K-55, 17#/ft) is not recognized by API. Presumably the intended casing is either: 7", K-55, 20 #/ft; or 7", H-40, 17 #/ft. Either grade will be adequate for this application.
4. The production casing is proposed as 4½", 10.5 lb/ft, K-55 on the APD cover page. The production casing is described as 4½", 9.5 lb/ft, K-55 in part 6 (drilling and circulating medium) of the APD text. Either casing grade is adequate.
5. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining is required before conducting any surface disturbing activities.
6. A Cement Bond Log (CBL) or other appropriate tool shall be used to determine the top-of-cement behind the production casing.

B. SURFACE USE PLAN

1. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five (5) working days, the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;

- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

- a time frame for the AO to complete an expedited review under 36 CFR § 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

2. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6. When the well is abandoned, the abandonment marker must be at least four feet above restored ground level and must be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).
3. Surface disturbance and vehicular travel will be limited to the approved location and access route. Any additional area needed will be approved in advance.
4. The intermittent drainage on the southern side of the well pad will be avoided during all phases of construction, drilling, and production. As specified in the Application for Permit to Drill, a berm of soils will be constructed 2-3 feet high along the south side of the well pad. The berm will be constructed at least 25 feet from the top edge of the drainage that is located south of the Roberts #1(-2) Well.

The uphill side of the well site will be ditched to provide drainage control around the well site. The ditch will be extended approximately 20 feet past the edge of the well site along the contour of the terrain.

The reserve pits will be located on the north or east side of the well pad at least 50 feet north of the intermittent drainage.

5. Three sides of the reserve pit will be fenced before drilling starts. At the end of drilling operations and prior to reclamation of the reserve pit, the fourth side of the pit will be fenced and the top of the pit will be covered with netting of one inch or less to prevent access by birds.
6. The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling the drilling rig. If upgraded, the road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the authorized officer will be notified so that temporary drainage control can be installed along the access road.
7. All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required by comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will match the adjacent soils.
8. All site security guidelines identified in 43 CFR § 3162.7-5 and Onshore Oil and Gas Order No. 3 shall be followed.
9. If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
10. If a tank battery is constructed on this lease, it will be surrounded by a berm of sufficient capacity to contain 1½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR § 3162.7-2 and Onshore Oil and Gas Order No. 4.
11. Pipeline installation involving cross-country traffic will be suspended during periods of wet weather to reduce soil rutting and soil compaction.
12. In the event the well pad or road is graveled or surfaced, the material will be removed prior to recontouring the surface for rehabilitation.
13. The operator will be responsible for noxious weed control on the disturbed areas within the limits of the well site and new road construction. The operator is responsible for consultation with the authorized officer and/or local authorities for acceptable weed control methods.

14. During reclamation, the area will be scarified 6 inches deep prior to seeding. The entire soil surface will be scarified with a 6 inch or less distance between the ripped surfaces. The scarified areas will be left in a rough condition to retain moisture, and the soils will be dry and loose prior to seeding. The areas will be broadcast seeded between October 1 and December 31 with the following mixture of pure live seed (PLS):

Indian ricegrass	4 pounds/acre
Fourwing saltbush	2 pounds/acre
Shadscale	2 pounds/acre
Sand dropseed	1 pound/acre

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the BLM Natural Resource Protection Specialist at least 48-hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24-hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field Office within 24-hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the Moab Field Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed, with the Moab Field Office, for approval of all changes of plans and subsequent operations in accordance with 43 CFR § 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Moab Field Office is to be notified.

First Production- Should the well be successfully completed for production, the Moab Field Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Moab Field Office, and they shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the Moab Field Office not later than thirty-days after completion of the well or after completion of operations being performed, in accordance with 43 CFR § 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the Moab Field Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- An application for approval of a permanent disposal method and location will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order 7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab Field Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR § 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Moab Field Office or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

The following notifications are required. Notify Rich McClure (435-259-2127) for construction and reclamation matters. Notify Jack Johnson (work: 435-259-2129, home: 435-259-4800) for spud, surface casing and other matters relative to drilling:

2 days prior to commencement of dirt work, construction and reclamation;

1 day prior to spudding;

50 feet prior to reaching the surface casing setting depth

If the people above cannot be reached, notify the Moab Field Office at (435) 259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at (435) 259-2100. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer	Office: (435) 259-2117
	Home: (435) 259-2214

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: Falcon Energy, LLC
Address: 4103 So. 500 W.
city Salt Lake City
state Utah zip 84123

Operator Account Number: N 6710Phone Number: 369-0701

Well 1

API Number	Well Name	DG	Sec	Twp	Rng	County
430193137400	Powelson # 1	SESE	24	20S	23E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	12893	12-29-99	12-29-99		
Comments: 9-28-00						

Well 2

API Number	Well Name	DG	Sec	Twp	Rng	County
430193137500	Stout # 2	NESE	24	20S	23E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	12894	2-7-00	2-7-00		
Comments: 9-28-00						

Well 3

API Number	Well Name	DG	Sec	Twp	Rng	County
430193137600	Roberts # 1	SESE	24	20S	23E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	12895	7-26-00	7-26-00		
Comments: 9-28-00						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

FALCON ENERGY, LLC
4103 SOUTH 500 WEST
SALT LAKE CITY, UTAH 84123
801-359-0701 • FAX 801-359-0751

Name (Please Print)

Bonghan A. Powelson
Signature

Manager
Title

9/27/00
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

(See instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

UTU-75894

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

Roberts #1

9. API WELL NO.

430193137600

10. FIELD AND POOL, OR WILDCAT

Cisco Springs

11. SEC., T., R., M., OR BLOCK AND SURVEY
OR AREA

S24, T20S, R23E

12. COUNTY OR
PARISH

Grand

13. STATE

Utah

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL ☐ , GAS WELL ☒ DRY ☐ Other _____

b. TYPE OF COMPLETION:

NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. REPAIR ☐ Other _____

2. NAME OF OPERATOR

Falcon Energy, LLC

3. ADDRESS AND TELEPHONE NO.

55 So. Hwy 89 - North Salt Lake, Utah 84054

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 1169' FSL and 163' FEL

At top prod. interval reported below Same

At total depth Same

14. PERMIT NO.

4301931376

DATE ISSUED

3-23-00

15. DATE SPUDDED

7-26-00

16. DATE T.D. REACHED

8-15-00

17. DATE COMPL. (Ready to prod.)

3-3-01

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

4593' GR

19. ELEV. CASINGHEAD

4597 KB

20. TOTAL DEPTH, MD & TVD

1305'

21. PLUG BACK T.D., MD & TVD

1,110'

22. IF MULTIPLE COMPL.,

HOW MANY*
N/A

23. INTERVALS

DRILLED BY
→

ROTARY TOOLS

ALL

CABLE TOOLS

N/A

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

Brushy Basin - Top 1085'

25. WAS DIRECTIONAL

SURVEY MADE
No

26. TYPE ELECTRIC AND OTHER LOGS RUN

None Open Hole

27. WAS WELL CORED

No

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
7" K-55	20#	135'	11.5"	To Surface	
4.5" K-55	9.5#	971'	6.125"		

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
		NONE			2 3/8"	1,108'	

31. PERFORATION RECORD (Interval, size and number)

None

Open Hole Completion - 3 3/4"

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
NONE	

33. PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
3-6-01		Flowing				Producing	
DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
None			→				
FLOW, TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
280#	280#	→	None	100	None		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Sold

TEST WITNESSED BY

John Kubie

35. LIST OF ATTACHMENTS

Drilling Report

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

[Signature]

TITLE

Manager

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DIVISION OF
OIL, GAS AND MININGRECEIVED
3-6-01

Drilling Report and Log Roberts #1 T. 20 S. R. 23 E. Sec. 24

Surface set to 135' 7" casing cemented from top to bottom.

B.L.M. Tested casing to 1500 psi 20 min.

B.O.P. Tested blind rams and pipe rams to 1500 psi.

New bit, 500.00/ 6 1/4" button bit type.

Drilled plug and cement out in 45 minutes.

Drilled from 135' to A zone marker 75' per hour

778' A Zone marker

780' to 800' Coal with good amount of gas. (10 to 20 mcf)

800' to 812' Mancos (6:45 am)

812 to 820 G zone marker (white dust)

826 to 830 Brown Coal

830 to 835 bentonite (more G Zone)

850' connection gas

850 to 852 coal

852 to 860 Mancos

865' lost dust. wet

875' Drilling with mist and soap (first Dakota)

880' to 900' hard cap of first Dakota (8:15 am)

900' 5 minute double change over from fine to coarse thread

925' to 950' water flow 40 gpm (11:30 am)

975' connection gas at joint sweat hole Cedar mt. pink

985' to 1000' pink Cedar MT gas and flare while drilling

1000' to 1025' connection gas flare (12:50 PM)

1025' Oil killed soap

1050' joint in at 4:15pm

1075' Gas flare 25'

1135' More BTU's gas flare \rightarrow 1125' Joint # 34

1225' Green oil in flare

1250' soft drilling foot per minute, more green oil in flare.

X 1270' Big gas

1300' hard cap of salt wash 3:00 am

1305' Hydraulic port blew up on rig lost all power

Two days out of hole

Repaired port, pulled back to 900' and recirculated

Stuck several times getting back to bottom started drilling at 1305,

RECEIVED

MAR 15 2001

DIVISION OF
OIL, GAS AND MINING

Utah Div. Oil Gas

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Falcon Energy LLC

3a. Address

1908 M Road Fruita CO.

3b. Phone No. (include area code)

970-858-8252

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1169 FSL 663 FEL Sec 24 T20S R23E

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Roberts #1

9. API Well No.

43-019-31376

10. Field and Pool, or Exploratory Area

Cisco

11. County or Parish, State

Grand Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | <u>Swab</u> |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Swab Well

No New Gas

RECEIVED

JAN 26 2004

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Wayne Stout

Title

Mngr

DIV. OF OIL, GAS & MINING

Signature

Wayne O. Stout

Date

8-24-03

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ

2. CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

5/15/2006

FROM: (Old Operator):
N6710-Falcon Energy, LLC
1137 19 Rd
Fruita, CO 81521-9678
Phone: 1 (970) 858-8252

TO: (New Operator):
N2195-Running Foxes Petroleum, Inc.
7060 B S. Tucson
Centennial, CO 80112
Phone: 1 (720) 377-0923

CA No.

Unit:

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 12/7/2006
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/31/2006
3. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 6/6/2006
4. Is the new operator registered in the State of Utah: YES Business Number: 6097088-0143
- 6a. (R649-9-2)Waste Management Plan has been received on: requested 12/18/06
- 6b. Inspections of LA PA state/fee well sites complete on: n/a
- 6c. Reports current for Production/Disposition & Sundries on:
7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 6/19/2006 BIA
8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 12/14/2006
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/14/2006
3. Bond information entered in RBDMS on: n/a
4. Fee/State wells attached to bond in RBDMS on: n/a
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UTB000207
2. Indian well(s) covered by Bond Number: n/a
3. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number n/a
 - a. The **FORMER** operator has requested a release of liability from their bond on: n/a
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

4. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

Two wells remain in dispute regarding leases and were not moved - 4301930713 TXO Springs 9-1 and 4301931284 FZ 22-3

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Change of Operator</u>		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: Running Foxes Petroleum, Inc. <u>N2195</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 7060 B South Tucson CITY Centennial STATE CO ZIP 80112		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (720) 377-0923		8. WELL NAME and NUMBER:
4. LOCATION OF WELL FOOTAGES AT SURFACE: <u>1000' x 1000' 1000' x 1000'</u>		9. API NUMBER:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <u>1000' x 1000'</u>		10. FIELD AND POOL, OR WILDCAT:
COUNTY: <u>Grand</u>		STATE: <u>UTAH</u>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>May 15, 2006</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This is to inform the State of Utah that there will be a change of operator from Falcon Energy LLC to Running Foxes Petroleum, Inc. for the attached well list. The BLM issued bond number is UTB-000207 and the bond was accepted on May 15, 2006. All wells and leases are on Federal Land and all operations have been deemed as satisfactory at this point. If there are any questions or information needed please contact our office and all inquiries will be addressed.

NAME (PLEASE PRINT) <u>Neil D. Sharp</u>	TITLE <u>Geologist</u>
SIGNATURE <u>Neil D. Sharp</u>	DATE <u>05/23/06</u>

(This space for State use only)

APPROVED 12/14/2006

(5/2000) Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED
MAY 31 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

			5. LEASE DESIGNATION AND SERIAL NUMBER:	
			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
			7. UNIT or CA AGREEMENT NAME:	
			8. WELL NAME and NUMBER:	
			9. API NUMBER:	
			10. FIELD AND POOL, OR WILDCAT:	
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Change of Operator</u>				
2. NAME OF OPERATOR: <u>Falcon Energy LLC</u>				
3. ADDRESS OF OPERATOR: <u>1383 Bridal Path Court</u> CITY <u>Fruita</u> STATE <u>CO</u> ZIP <u>81521</u>			PHONE NUMBER: <u>(970) 234-8095</u>	
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____ COUNTY: <u>Grand</u> QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ STATE: <u>UTAH</u>				

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>5/15/2006</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	
	<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____		

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This is to inform the State of Utah that there will be a change of operator from Falcon Energy LLC to Running Foxes Petroleum, Inc. for the attached well list. The BLM issued bond number is UTB-000207 and the bond was accepted on May 15, 2006. All wells and leases are on Federal Land and all operations have been deemed as satisfactory at this point. If there are any questions or information needed please contact our office and all inquiries will be addressed.

NAME (PLEASE PRINT) <u>Wayne Stant</u>	TITLE <u>Manager</u>
SIGNATURE <u>Wayne O Stant</u>	DATE <u>11-14-06</u>

(This space for State use only)

APPROVED 12/14/2006

Earlene Russell

(5/2000) Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED

DEC 07 2006

DIV. OF OIL, GAS & MINING

FALCON ENERGY LLC (N6710) TO RUNNING FOXES PETROLEUM, INC (N2195)

well_name	sec	tpw	rng	api	entity	lease	well	stat	qtr_qtr	l_num	op no
CHASE GROSSMAN 1	31	190S	240E	4301915014	8174	Federal	GW	S	SENE	UTU-012362B	N6710
SWANSON FEDERAL UTI 31-72	31	200S	240E	4301915771	9653	Federal	GW	S	NENE	UTU-011879A	N6710
FEDERAL 30-88X	30	200S	240E	4301930006	9659	Federal	GW	S	SESE	UTU-027403	N6710
FEDERAL 1-355	09	200S	230E	4301930115	240	Federal	OW	P	SENE	UTU-6355B	N6710
FEDERAL 3-355	09	200S	230E	4301930123	10947	Federal	GW	S	NENE	UTU-6355B	N6710
THOMAS FED 8	13	200S	230E	4301930148	565	Federal	GW	S	NESE	UTU-7623	N6710
ROBERT S WEST WK 1	01	210S	230E	4301930266	566	Federal	OW	P	SWSW	UTU-17309	N6710
WK 3	01	210S	230E	4301930267	566	Federal	OW	S	SWNW	UTU-17309	N6710
WK 2	01	210S	230E	4301930270	566	Federal	GW	S	SWSE	UTU-17309	N6710
W-KOLMAN FED 1-14	01	210S	230E	4301930299	566	Federal	OW	S	SWNE	UTU-17309	N6710
JACOBS 1	13	200S	230E	4301930378	567	Federal	GW	P	SWSW	UTU-7945	N6710
CISCO 3	27	200S	230E	4301930404	4500	Federal	GW	S	NENW	UTU-17245A	N6710
WK 1-13	01	210S	230E	4301930420	566	Federal	OW	S	SESW	UTU-17309	N6710
FED CISCO 1	27	200S	230E	4301930456	4500	Federal	GW	S	SENE	UTU-17245A	N6710
FEDERAL LANSDALE 3	29	200S	240E	4301930458	9185	Federal	OW	P	SWNE	UTU-7218	N6710
CISCO FEDERAL 1	10	210S	230E	4301930475	8171	Federal	GW	P	SWSE	UTU-30956A	N6710
JACOBS FED 1-25	25	200S	230E	4301930486	568	Federal	OW	P	SENW	UTU-7623	N6710
FEDERAL 24-1	24	200S	230E	4301930510	569	Federal	GW	S	SESW	UTU-7623	N6710
PETRO FED 15-3	15	210S	230E	4301930523	8212	Federal	GW	S	SENE	UTU-75141	N6710
PETRO 15-5-80A	15	210S	230E	4301930611	2241	Federal	GW	P	NWNE	UTU-75141	N6710
CP 1-4	01	210S	230E	4301930671	566	Federal	OW	P	SESW	UTU-17309	N6710
CP 1-5	01	210S	230E	4301930674	566	Federal	GW	PA	SESW	UTU-17309	N6710
FEDERAL 2-037	03	200S	230E	4301930864	250	Federal	OW	P	SESW	UTU-19037	N6710
KATHY 1	24	200S	230E	4301930906	8183	Federal	GW	S	NWSE	UTU-15049	N6710
HOPE 2	24	200S	230E	4301930907	640	Federal	OW	S	NWNE	UTU-17610	N6710
NICOL 1	24	200S	230E	4301930908	8184	Federal	GW	S	SWSE	UTU-75894	N6710
HOPE 4	24	200S	230E	4301930909	11170	Federal	GW	S	NENE	UTU-17610	N6710
FEDERAL 3-037	03	200S	230E	4301930992	13039	Federal	OW	S	SESW	UTU-19037	N6710
FED PIONEER 2A	13	200S	230E	4301930993	10976	Federal	GW	P	SESW	UTU-0148171B	N6710
FEDERAL 7-037	03	200S	230E	4301931015	250	Federal	OW	S	SWSE	UTU-19037	N6710
MARTHA 1	30	200S	240E	4301931024	9655	Federal	GW	S	NWNW	UTU-027403	N6710
CISCO SS 15-8	15	200S	230E	4301931052	2285	Federal	OW	S	NWSE	UTU-64270	N6710
CISCO SPRINGS B 1	15	200S	230E	4301931065	6683	Federal	OW	S	NESE	UTU-62845	N6710
CISCO SPRINGS A 1	09	200S	230E	4301931076	6682	Federal	GW	S	NWNE	UTU-62845	N6710
CISCO SPRINGS B 2	15	200S	230E	4301931115	6684	Federal	GW	S	NESE	UTU-62845	N6710
MUSTANG 3-1	03	200S	230E	4301931128	9860	Federal	GW	S	SWSW	UTU-6791	N6710
CISCO SPRINGS 24-3	24	200S	230E	4301931179	571	Federal	GW	PA	NESW	UTU-7623	N6710
THOMAS 2A	13	200S	230E	4301931182	572	Federal	GW	S	SWSE	UTU-7623	N6710
MARTHA 4	30	200S	240E	4301931212	9655	Federal	GW	P	SWNW	UTU-027403	N6710
M P D 9-2	09	210S	230E	4301931216	9801	Federal	GW	S	NESE	UTU-30956	N6710
LEN 13-3	13	200S	230E	4301931217	572	Federal	GW	S	SESE	UTU-7623	N6710
LEN 24-4	24	200S	230E	4301931223	573	Federal	GW	S	NWSW	UTU-7623	N6710
ROBIN G NO 24-1	24	200S	230E	4301931255	10837	Federal	GW	P	SENW	UTU-58207	N6710
ROBIN G 24-4	24	200S	230E	4301931261	10963	Federal	GW	S	SENW	UTU-58207	N6710
FEDERAL 1-355A	09	200S	230E	4301931265	10941	Federal	GW	P	SENE	UTU-6355B	N6710
MPD 10-2C	10	210S	230E	4301931276	9801	Federal	OW	P	NWSW	UTU-30956	N6710
MPD 15-2	15	210S	230E	4301931277	11003	Federal	GW	S	SENW	UTU-0148172	N6710
MPD 9-2B	09	210S	230E	4301931281	9801	Federal	GW	S	NWSE	UTU-30956	N6710
M6-130	24	200S	230E	4301931346	12343	Federal	OW	P	SENW	UTU-58207	N6710
POWELSON 1	24	200S	230E	4301931374	12893	Federal	OW	PA	SESE	UTU-75984	N6710
STOUT 2	24	200S	230E	4301931375	12894	Federal	OW	S	NESE	UTU-75984	N6710
ROBERTS 1	24	200S	230E	4301931376	12895	Federal	GW	P	SESE	UTU-75894	N6710

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **RUNNING FOXES PETROLEUM, INC.**

3a. Address
7060 B SO. TUCSON WAY CENTENNIAL, CO. 80112

3b. Phone No. (include area code)
303-617-7242

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SE SE

SEC. 24 T20S - R23E

5. Lease Serial No.

UTU 75894

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Roberts #1-2

9. API Well No.

43019 - 3376

10. Field and Pool, or Exploratory Area

CISCO SPRINGS

11. County or Parish, State

GRAND COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

RUNNING FOXES PETROLEUM, INC. IS TAKING OVER OPERATIONS OF THE ABOVE CAPTIONED WELL(S).

RUNNING FOXES PETROLEUM, INC. IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF.

BOND COVERAGE FOR THIS WELL WILL BE PROVIDED BY BLM BOND NO. UTB000207.

EFFECTIVE DATE: 5/15/2006

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

GREG SIMONDS

Title **V.P. OPERATIONS**

Signature

Date

05/30/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ACCEPTED

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

**Division of Resources
Moab Field Office**

Date

6/12/06

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

CONDITIONS OF APPROVAL

DIV. OF OIL, GAS & MINING

Running Foxes Petroleum, Inc.
Well Nos. Nicol 1, Powelson 1, Roberts 1-2, Stout 2
Section 24, T20S, R23E
Lease UTU75894
Grand County, Utah

CONDITIONS OF ACCEPTANCE

Acceptance of these applications does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Running Foxes Petroleum, Inc. is considered to be the operator of the above wells effective May 15, 2006, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for these wells is provided by UTB000207 (Principal – Running Foxes Petroleum, Inc.) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43CFR 3106.7-2 continuing responsibility are met.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU 75894
2. Name of Operator Running Foxes Petroleum		6. If Indian, Allottee or Tribe Name
3a. Address 7060 B South Tucson Way Centennial, CO 80112	3b. Phone No. (include area code) 720-889-0510	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1169' fsl & 663' fel SE SE S24 T20S R23E		8. Well Name and No. Roberts 1
		9. API Well No. 43-019-313-76-00-00
		10. Field and Pool, or Exploratory Area Greater Cisco
		11. County or Parish, State Grand County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This sundry notice is to inform the BLM that Running Foxes Petroleum intends to plug & abandon the aforementioned well. Running Foxes Petroleum intends to fill the open hole portion of the well, production annulus, & surface annulus with cement from total depth to the surface. Surface casing (7", 20#) was set at 135' GL & production casing (4.5", 9.5#) was run to 972' GL. This well was drilled out of the production casing into the original open hole size of 6 1/4" by Running Foxes Petroleum w/a 3 7/8" bit to a depth of 1290' GL. This well was completed open hole from 972'-1290' GL, but was deemed uneconomic. Upon completion of cementing a standard P&A marker will be erected w/all pertinent well information welded onto it. If the BLM deems any other action necessary please inform Running Foxes Petroleum upon approval of this plugging and abandoning. Per Neil Sharp 5/23/08 - Fill casing from TD to Surface w/cement &

Attached: Well Schematic

CC: UT DOGM

Accepted by the
Utah Division of
Oil, Gas and Mining

Date: 5/23/08
By: *Neil D. Sharp*

Federal Approval Of This
Action Is Necessary

COPY SENT TO OPERATOR

Date: 5.28.2008

Initials: KS

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Neil D. Sharp		Title Geologist
Signature <i>Neil D. Sharp</i>		Date 04/29/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

MAY 06 2008

DIV. OF OIL, GAS & MINING

Lease #: UTU 75894
Entity #: 12895

Roberts 1
SE SE
1169' fsl & 663' fel
Sec 24 T20S R23E
Elevation: 4593' GL
43-019-31376

Spud: July 26, 2000
Complete: August 15, 2000

135' of 7" (20#, K55); amount of
cement used unknown

972' of 4 1/2" (9.5#, K55); amount of
cement used unknown

Zone: K Cedar Mountain
IP: 100 mcf
Total Oil: 0 bbl
Total Gas: 2005 mcf
Total Water: 0 bbl
GOR:
API/Gravity:

Open Hole Completion: 972'-1305' GL
(Drilled out shoe & cleared original open hole
(6 1/4") with 3 7/8" bit to 1290' GL

TD: 1305' GL
PBTD: 972' GL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU 75894
2. Name of Operator Running Foxes Petroleum		6. If Indian, Allottee or Tribe Name
3a. Address 7060 B South Tucson Way Centennial, CO 80112	3b. Phone No. (include area code) 720-889-0510	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1169' fsl & 663' fel SE SE S24 T20S R23E		8. Well Name and No. Roberts 1
		9. API Well No. 43-019-313-76-00-00
		10. Field and Pool, or Exploratory Area Greater Cisco
		11. County or Parish, State Grand County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

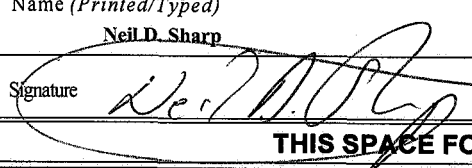
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This sundry notice is to inform the BLM that Running Foxes Petroleum has plugged & abandoned the aforementioned well on 8/26/2008. Running Foxes Petroleum contracted RACS, LLC to perform the plugging and abandoning. A total of 83 sacks of Class G cement (14.8#) was used to fill the production and surface casing of this well from TD to surface. The casing was cut off 3 ft. from surface and a metal plate, with all pertinent well information, was welded on and buried. Running Foxes Petroleum will recontour & reseed the location at a later date. Upon completion of the recontouring & reseeding, Running Foxes Petroleum will contact the BLM for final inspection.

Attached: RACS Plugging Report

CC: UT DOGM

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Neil D. Sharp		Title Geologist
Signature 		Date 10/30/2008
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by _____ Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Title _____ Date _____ Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

NOV 03 2008

DIV. OF OIL, GAS & MINING

RACS, LLC

26767 Cedar Mesa Rd., Cedaredge, CO 81413

(970) 856-2505

WELL ABANDONMENT REPORT

Date 9-30-2008

Well Identification

Owner Running Foxes Petroleum

Well Number Roberts 1 (API# 43-019-313-76-00-00)

Well Location (township & range) 1,169' fsl & 663' fel SE SE Sec 24 T20S R23E

(Lat / Long) (NAD 27) N39 02 53.9 W109 18 54.2

County Grand State Utah Elevation 4,593'

Existing Well Details

Is a well drillers report available? ☐ Yes ☒ No

Nature of use & current status Gas Well / Shut-in

Hole Depth 972' Feet Hole Diameter _____ Inches

Surface Casing type / Wt. Steel T&C / _____ Size 7" Depth 135'

Intermediate Casing Type / Wt. _____ / _____ Size _____ Depth _____

Completion Blank Casing Type / Wt Steel T&C / 9.5# Size 4.5" Depth From +2' To 972'

Completion Perf casing Type / Wt _____ / _____ Size _____ Depth From _____ To _____

Static Fluid Level Depth N/A Feet - Artesian Flow None GPM - Shut-In Pressure _____ PSI

Notes _____

Abandonment Details

Reason for Abandonment No longer producing

Bridge Plug type None

TD of well or Bridge Plug Depth 1,014' Feet

Total fluid volume of well from TD or Bridge Plug 707 Gallons

Total volume of fluid used 835 Gallons

Method of sealing material placement Through AQ rods

Casing cut to 3' Ft. below surface P&A Marker type 3/8" Steel flat plate

Date of Abandonment Completion 8-26-08

Depth (Feet)		Material Used	Quantity		Density
From	To		Gal.	/ Sks	Lbs./Gal.
1,000'	180	Class G Cement w/2% gel	405	/ 40	14.8
180'	Surface	Class G Cement w/2% gel	210	/ 21	14.7
Top-off		Class G Cement	220	/ 22	15.6
50'	45'	Perforated 4.5" Casing			

Notes MIRU on 8-21-08, run in well with slickline & tagged bottom at 1,014 feet. Tripped in 1,000 feet of trimmie.

Begin mixing and pumping 40 sacks of cement to surface, experienced pump problems and shut in the well for the night.

Trimmie stuck in hole on 8-22-08. Shot trimmie off on 8-22-08 at 180 feet, tripped in and pumped 21 sacks of cement to surface

On 8-26-08 pumped 22 sacks of cement circulated through perfs in 4.5" casing at 50' & back to surface.

Cut casing(s) down 3' & welded on P&A marker. Buried back well head & small sump. Move to next pad.

* All depths are from top of surface casing